

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:

FRANCHISE GROUP, INC., *et al.*,<sup>1</sup>

Debtors.

Chapter 11

Case No. 24-12480 (JTD)

(Jointly Administered)

**NOTICE OF (I) FILING OF BANKRUPTCY PETITIONS AND RELATED  
DOCUMENTS AND (II) AMENDED<sup>2</sup> AGENDA FOR *CONTINUED HYBRID* HEARING  
ON FIRST DAY PLEADINGS SCHEDULED FOR NOVEMBER 6, 2024 AT 12:00 P.M.  
(ET), BEFORE THE HONORABLE JOHN T. DORSEY IN THE UNITED STATES  
BANKRUPTCY COURT FOR THE DISTRICT OF DELAWARE<sup>3</sup>**

***AT THE DIRECTION OF THE COURT, THIS HEARING HAS BEEN CONTINUED TO  
NOVEMBER 6, 2024 AT 12:00 P.M. (ET).***

<sup>1</sup> The Debtors in these Chapter 11 Cases, along with the last four digits of their U.S. federal tax identification numbers, to the extent applicable, are Franchise Group, Inc. (1876), Freedom VCM Holdings, LLC (1225), Freedom VCM Interco Holdings, Inc. (2436), Freedom Receivables II, LLC (4066), Freedom VCM Receivables, Inc. (0028), Freedom VCM Interco, Inc. (3661), Freedom VCM, Inc. (3091), Franchise Group New Holdco, LLC (0444), American Freight FFO, LLC (5743), Franchise Group Acquisition TM, LLC (3068), Franchise Group Intermediate Holdco, LLC (1587), Franchise Group Intermediate L, LLC (9486), Franchise Group Newco Intermediate AF, LLC (8288), American Freight Group, LLC (2066), American Freight Holdings, LLC (8271), American Freight, LLC (5940), American Freight Management Company, LLC (1215), Franchise Group Intermediate S, LLC (5408), Franchise Group Newco S, LLC (1814), American Freight Franchising, LLC (1353), Home & Appliance Outlet, LLC (n/a), American Freight Outlet Stores, LLC (9573), American Freight Franchisor, LLC (2123), Franchise Group Intermediate B, LLC (7836), Buddy's Newco, LLC (5404), Buddy's Franchising and Licensing LLC (9968), Franchise Group Intermediate V, LLC (5958), Franchise Group Newco V, LLC (9746), Franchise Group Intermediate BHF, LLC (8260); Franchise Group Newco BHF, LLC (4123); Valor Acquisition, LLC (3490), Vitamin Shoppe Industries LLC (3785), Vitamin Shoppe Global, LLC (1168), Vitamin Shoppe Mariner, LLC (6298), Vitamin Shoppe Procurement Services, LLC (8021), Vitamin Shoppe Franchising, LLC (8271), Vitamin Shoppe Florida, LLC (6590), Betancourt Sports Nutrition, LLC (0470), Franchise Group Intermediate PSP, LLC (5965), Franchise Group Newco PSP, LLC (2323), PSP Midco, LLC (6507), Pet Supplies "Plus", LLC (5852), PSP Group, LLC (5944), PSP Service Newco, LLC (6414), WNW Franchising, LLC (9398), WNW Stores, LLC (n/a), PSP Stores, LLC (9049), PSP Franchising, LLC (4978), PSP Subco, LLC (6489), PSP Distribution, LLC (5242), Franchise Group Intermediate SL, LLC (2695), Franchise Group Newco SL, LLC (7697), and Educate, Inc. (5722). The Debtors' headquarters is located at 109 Innovation Court, Suite J, Delaware, Ohio 43015.

<sup>2</sup> **Amendments appear in bold.**

<sup>3</sup> All motions and other pleadings referenced herein are available free of charge by visiting the website maintained by the Debtors' proposed Claims and Noticing Agent, Kroll Restructuring Administration, LLC, at <https://cases.ra.kroll.com/FRG>, or by request to the Debtors' proposed counsel (Beth Olivere, paralegal, at [bolivere@ycst.com](mailto:bolivere@ycst.com)).

**This proceeding will be conducted by zoom and in person, as set forth on the record at the hearing held on November 5, 2024.**

**Please refer to Judge Dorsey's Chambers Procedures and the Court's website (<http://www.deb.uscourts.gov/ecourt-appearances>) for information on who may participate remotely, the method of allowed participation (video or audio), Judge Dorsey's expectations of remote participants, and the advance registration requirements.**

**Registration is required by one-hour prior to the hearing unless otherwise noticed using the eCourtAppearances tool available on the Court's website.**

**To attend this hearing remotely, please register using the eCourtAppearances tool ([available here](#) or on the Court's website (<http://www.deb.uscourts.gov/ecourt-appearances>))**

**YOU MUST USE YOUR FULL NAME WHEN LOGGING INTO ZOOM OR YOU WILL NOT BE ALLOWED INTO THE MEETING.**

**PLEASE TAKE NOTICE** that, on November 3, 2024 and November 4, 2024, the debtors and debtors in possession in the above-captioned cases (collectively, the "Debtors"), filed the following voluntary petitions for relief under chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101–1532 (the "Bankruptcy Code") and related pleadings with the Clerk of the United States Bankruptcy Court for the District of Delaware. The Debtors continue to operate their businesses as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

### **PETITIONS AND RELATED PLEADINGS**

**1. Voluntary Petitions**

A. *See* Schedule 1, attached

**2. Declaration of David Orlofsky in Support of Chapter 11 Petitions and First Day Pleadings [[Docket No. 15](#), 11/4/24]<sup>4</sup>**

**PLEASE TAKE FURTHER NOTICE** that a hearing with respect to the following first day pleadings (collectively, the "First Day Pleadings"), **was held on November 5, 2024 (the "First Day Hearing"). At the request of the Court, the First Day Hearing has been continued to November 6, 2024 at 12:00 p.m. (ET).**

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<sup>4</sup> The declarant is located in New York, New York.

### **FIRST DAY PLEADINGS GOING FORWARD**

3. Debtors' Motion for Order Authorizing Joint Administration of the Debtors' Chapter 11 Cases [[Docket No. 2](#), 11/3/24]

Status: **An order has been entered. No hearing is necessary.**

4. Debtors' Application for Appointment of Kroll Restructuring Administration LLC as Claims and Noticing Agent [[Docket No. 3](#), 11/3/24]

Status: This matter will be going forward.

5. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Maintain and Administer their Existing Customer Programs and Honor Certain Prepetition Obligations Related Thereto, (II) Authorizing the Banks to Honor and Process Check and Electronic Transfer Requests Related Thereto, and (III) Granting Related Relief [[Docket No. 4](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

6. Debtors' Motion for Interim and Final Orders Establishing Notice and Hearing Procedures for Transfers of Equity Interests in the Debtors and Declarations of Worthlessness with Respect to Equity Interests in Freedom VCM Interco Holdings, Inc. [[Docket No. 5](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

7. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Continue their Insurance Policies, Including their Insurance Premium Finance Program and to Pay All Obligations in Respect Thereof, (II) Authorizing the Debtors' Banks and Other Financial Institutions to Honor and Process Checks and Transfers Related Thereto, and (III) Granting Related Relief [[Docket No. 6](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

8. Debtors' Motion for Interim and Final Orders (I) Prohibiting Utility Companies from Altering, Refusing, or Discontinuing Utility Services, (II) Deeming Utility Companies Adequately Assured of Future Payment, (III) Establishing Procedures for Resolving Objections by Utility Companies and Determining Additional Adequate Assurance of Payment, and (IV) Granting Related Relief [[Docket No. 7](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

9. Debtors' Motion for Entry of an Order (I) Authorizing Debtors to Redact Certain Personally Identifiable Information, (II) Authorizing Electronic Noticing Procedures for Customers, and (III) Granting Related Relief [[Docket No. 8](#), 11/3/24]

Status: This matter will be going forward.

10. Debtors' Motion for Interim and Final Orders (I) Authorizing the Debtors to (A) Continue to Maintain their Cash Management System, (B) Honor Certain Prepetition Obligations Related Thereto, and (C) Continue to Perform Intercompany Transactions; (II) Waiving Certain Operating Guidelines; (III) Suspending Time to Comply with Section 345(b) of the Bankruptcy Code; and (IV) Granting Related Relief [[Docket No. 9](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

11. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Pay Certain Prepetition Claims of Certain Critical Vendors, Foreign Vendors, Shippers & Logistics Providers, and 503(b)(9) Claimants; and (II) Granting Related Relief [[Docket No. 10](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

12. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing Debtors to (A) Pay Certain Prepetition Employment Obligations and Compensation Obligations and (B) Maintain Employee Benefits Programs and Compensation Obligations and (II) Granting Related Relief [[Docket No. 11](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

13. Debtors' Motion for Interim and Final Orders (I) Authorizing Debtors to Pay Certain Prepetition Taxes and Fees and Related Obligations, (II) Authorizing the Banks to Honor and Process Check and Electronic Transfer Requests Related Thereto, and (III) Granting Related Relief [[Docket No. 12](#), 11/3/24]

Status: This matter will be going forward on an interim basis.

14. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to Assume the Consulting Agreement, (II) Approving Procedures for Store Closing Sales, and (III) Granting Related Relief [[Docket No. 14](#), 11/4/24]

Status: This matter will be going forward on an interim basis.

15. Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Senior Secured Priming Superpriority Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief [[Docket No. 51](#), 11/4/24]

- A. Declaration of Christopher Grubb in Support of Debtors' Motion for Entry of Interim and Final Orders (I) Authorizing the Debtors to (A) Obtain Senior

Secured Priming Superpriority Postpetition Financing and (B) Use Cash Collateral, (II) Granting Liens and Providing Claims with Superpriority Administrative Expense Status, (III) Granting Adequate Protection to the Prepetition Secured Parties, (IV) Modifying the Automatic Stay, and (V) Granting Related Relief [[Docket No. 52](#), 11/4/24]<sup>5</sup>

Status: This matter will be going forward on an interim basis.

**PLEASE TAKE FURTHER NOTICE** that objections, if any, to the First Day Pleadings may be made at the First Day Hearing.

*[Signature Page Follows]*

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<sup>5</sup> The declarant is located in New York, New York.

Dated: November 5, 2024  
Wilmington, Delaware

**YOUNG CONAWAY STARGATT & TAYLOR,  
LLP**

/s/ Shella Borovinskaya

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